

AzSPO POLICY
Number: 003
Procurement Delegation Authority

Statement:

A.R.S. 41-2512 states that “the director may delegate authority to any state governmental unit” and R2-7-201 states that “the director shall consider the following factors in making the decision to delegate procurement authority”.

1. The procurement expertise, specialized knowledge and past experience and performance of the state governmental unit;
2. The impact of the delegation on procurement efficiency and effectiveness; and,
3. The abilities and resources of the department to exercise the authority if it is not delegated.

Discussion:

As stated in the Statute, the authority is vested with the Director of the Department of Administration; however, this has been delegated to the State Procurement Administrator, Arizona State Procurement Office (AzSPO) which serves as the central procurement authority for the State. A procurement delegation for an unlimited amount must be approved by the Director.

In determining the appropriate policy for procurement delegation, the above factors must be taken into consideration as well as the organizational placement of procurement in the agency, the qualifications of the procurement personnel, and the level of management support. Procurement must be able to perform its service and compliance functions with the support of upper agency management. The overall focus must be customer service in compliance with the Arizona Procurement Code and other applicable procurement laws.

Since the adoption of the Arizona Procurement Code in 1984 all agencies have had some level of procurement authority. Historically, there have been two types of delegations, standard delegations that are for a blanket or continuous basis; and supplemental delegations that are for particular one-time procurements. Attachment 1 identifies the current matrix of agency delegations.

AzSPO handles the majority of the information technology procurements, therefore, procurements for new/used telecommunication equipment, computer equipment, software, systems and services will not be delegated to the agencies unless technical procurement expertise is demonstrated for these types of

procurements. Follow-on maintenance for technology equipment is hereby delegated, but must be handled with each agency's level of delegation.

The proposed policy on procurement delegation provides for two basic types of delegation, unlimited and limited. Attachment 2 outlines the required requirements of each delegation. The goal for each of these delegations is to ensure that quality service is being provided while consistently complying with the Arizona Procurement Code. As stated in R2-7-201, authority may be revoked or modified by the Director. Specific delegated acknowledgements will be required of each agency.

This policy is hereby effective this _____ day of April, 2001.

John O. Adler, CPPO
State Procurement Administrator

Attachment:

Attachment 1, Delegation Factors and Requirements
Attachment 2, Current Delegation Matrix